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ABSTRACT

This report examines the current role of states in supporting school-facilities improvements. Specifically, the study gathered information about state actions to provide funding, technical assistance, and compliance review to school districts. The report also looked at the degree to which states collect and maintain information on the condition of school buildings. Data were gathered from October 1994 to September 1995 through telephone interviews with state officials for all 50 states and analysis of supporting documents. Findings indicate that although the construction of school buildings has traditionally been a local responsibility, nearly all states now have some role in school-facilities construction, renovation, and major maintenance. States' involvement in facilities matters varied greatly in terms of the level of financial and technical assistance and compliance review provided. The amount and type of data collected by states also varied greatly. Overall, the data suggest that while most states provide facilities support to school districts, many states do not play a major role in addressing school-facilities issues. However, the extent of states' involvement also depends on state history and philosophy. Three figures and two tables are included. Appendices contain methodological notes, state-by-state information, GAO contacts and staff acknowledgments, and three additional tables. (LMI)

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ED 392 156

United States General Accounting Office

GAO

Report to Congressional Requesters

November 1995

SCHOOL FACILITIES

States' Financial and Technical Support Varies

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GAO

United States
General Accounting Office
Washington, D.C. 20548

Health, Education, and
Human Services Division

B-259315

November 28, 1995

The Honorable Carol Moseley-Braun
The Honorable Edward M. Kennedy
The Honorable Claiborne Pell
The Honorable Paul Simon
The Honorable Paul Wellstone
United States Senate

This report is one in a series addressing your request for a comprehensive review of the condition of America's school facilities. We have already reported that school officials estimate that about $112 billion is needed to restore school facilities to good overall condition and that many schools cannot adequately support modern technology or accommodate instructional activities related to education reform.[1] The magnitude of this need has overwhelmed the resources of many local school districts and raised the question of whether, and to what degree, the nation's schools can look to the states to play a major role in addressing the need.

As part of this review, you asked us to examine the current role of states in supporting school facilities improvements. More specifically, you asked for information on what states are doing to provide funding and technical assistance and compliance review to school districts. In addition, you asked for information on the degree to which states collect and maintain information on the condition of school buildings. Table 1 outlines three areas of state involvement and the types of activities associated with each.

[1]School Facilities: Condition of America's Schools (GAO/HEHS-95-61, Feb. 1, 1995) and School Facilities: America's Schools Not Designed or Equipped for 21st Century (GAO/HEHS-95-95, Apr. 4, 1995).

Table 1: Areas of State Involvement Reviewed by GAO

Area of involvement	Types of activities
Funding	States provide funding for construction, renovation, or major maintenance of school facilities through grants or loans to pay for local construction costs or debt service.
Technical assistance and compliance review	States provide information and guidance on funding, construction requirements, planning, architectural matters, education specifications, and other facilities-related issues. States review architectural plans and other documents for conformance with fire and building codes, education program specifications, or other state requirements. (Education program specifications provide detailed requirements for school facility needs such as large- and small-group instruction and properly constructed and outfitted science laboratories.)
Data collection on condition of facilities	States conduct one-time studies of facilities conditions statewide. States maintain an ongoing system of regularly updated condition data or revise data when districts apply for facilities funding.

Our report results are based primarily on information provided by each state's education agency (SEA) for state fiscal year 1994. We obtained the information through telephone interviews with SEA officials and supporting documentation provided by the agencies. Although in most states other agencies are also involved in at least some school facilities activities, exploring other agencies' activities was beyond the scope of this study. We conducted this study from October 1994 to September 1995 in accordance with generally accepted government auditing standards. We did not verify the information reported to us by state officials. (See app. I for a discussion of our methodology.)

Results in Brief

While the construction of school buildings has traditionally been a local responsibility, nearly all states now have some role in school facilities construction, renovation, and major maintenance (hereafter referred to collectively as construction), and 13 states have established comprehensive facilities programs. As a group, states reported providing about $3.5 billion for school facilities construction during fiscal year 1994.[2] However, states' involvement in facilities matters varied greatly. For example, state financial assistance for school facilities in the 40 states with ongoing assistance programs ranged from $6 per student to more than $2,000 per student. States' technical assistance and compliance review activities also varied greatly; the number of staff devoted to providing

[2]Typically, states' fiscal years run from July 1 to June 30.

facilities guidance and oversight varied from fewer than 1 full-time equivalent (FTE) to 72, with most states having fewer than 6 FTE staff.

In addition, the amount and type of data that states collected and maintained on school facilities varied greatly. Twenty-three states reported collecting at least some data on the condition of school buildings, with 15 of those updating such data regularly. Seventeen states did not collect information on building condition but collected other types of facilities information such as building inventories. The remaining 10 states collected no facilities information at all or did so on an extremely limited basis.

Overall, the data on state involvement suggest that while most states are providing facilities support to school districts, many states do not currently play a major role in addressing school facilities issues. However, states' philosophies vary on the appropriate level of state involvement in facilities matters. Officials in some states reported a long history of state assistance to local education agencies (LEA), while others reported that school facilities matters were primarily a local responsibility.

Background

Traditionally, financing the construction of public schools has been a function of local government. Until the 1940s, only 12 states provided any financial assistance for school construction. State participation increased during the baby boom of the 1950s, when local communities needed classrooms and states had surplus revenues. Even with such increases, however, localities were mainly responsible for school facilities construction.

Beginning in the 1970s, litigation in many states highlighted disparities in school districts' ability to raise money for public education. Court decisions resulted in many states increasing funding levels and playing a larger role in lessening financial disparities between rich and poor districts. Although these decisions have pertained mainly to the state's role in providing for instruction rather than to a focus on buildings, the past 20 years have seen a general increase in state involvement with facilities-related matters. By 1991, state funding for school facilities totaled more than $3 billion or about 20 percent of all funds used for public school construction.[3]

[3]Honeyman, David S., "Finances and the Problems of America's School Buildings," The Clearing House, November/December 1994, p. 95.

Increasingly, the physical condition of school buildings has become a concern in school finance litigation. In 1994, for example, the Arizona Supreme Court found the state's school funding system unconstitutional on the basis of disparities in the condition of its schools. Also, court challenges in Texas and Ohio have focused on inequities in districts' abilities to make capital expenditures and the importance of suitable facilities for a constitutionally acceptable education system. School finance experts expect disparities in facilities to be a continued aspect of litigation. Meanwhile, states face pressure from other rising budget expenditures, such as for health care and prisons.[4]

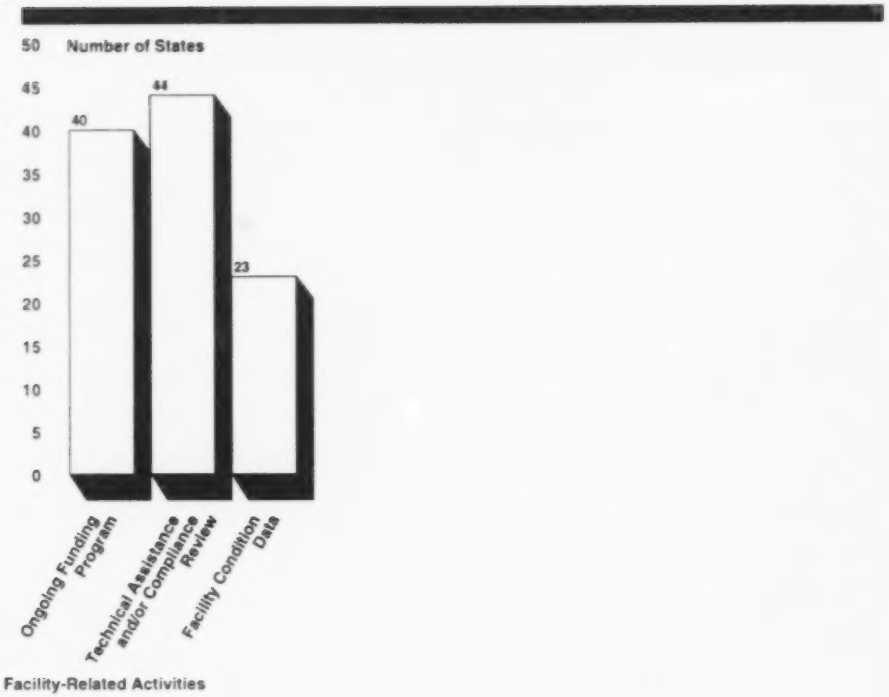
Nearly All States Involved, Several Comprehensively

Forty-eight states reported participating in at least one of the three areas of state involvement in school facilities that we identified. State involvement ranged from participation in all three areas to participation in just one or none of the areas. (State-by-state involvement as reported by SEAs is summarized in app. II, table II.1.) In all,

- 40 states reported providing ongoing facilities funding,
- 44 states reported participating in technical assistance or compliance review activities, and
- 23 states reported collecting and maintaining information about the condition of school facilities. (See fig. 1.)

[4]See School Finance: Trends in U.S. Education Spending (GAO/HEHS-95-235, Sept. 15, 1995).

Figure 1: Number of States Providing Funding and Technical Assistance and Compliance Review and Maintaining Data on the Condition of Facilities



We characterized 13 states as having comprehensive facilities programs: Alabama, Alaska, Florida, Georgia, Hawaii, Kentucky, Maryland, Massachusetts, Minnesota, North Carolina, Ohio, South Carolina, and West Virginia. Our review of state programs addressed the extent of state involvement and did not evaluate program effectiveness. We considered programs comprehensive if they had a facilities program framework in place that provided ongoing funding, conducted a variety of technical assistance and compliance review activities, maintained current information on the condition of school buildings statewide, and had one or more FTE staff working on facilities matters. Although a total of 19 SEAs reported activities in all three areas, for some states the level of activity reported in at least one of these areas was limited in some way. For example, Pennsylvania participated in all three areas, including collecting information on the condition of facilities; however, officials reported that the information was updated only when a LEA applied for project funding.

Since the interval between these updates may be as much as 20 years, the information maintained by the state may be out of date.

Kentucky is an example of a state we characterized as having a comprehensive program. A facilities official reported that the SEA Division of Facilities Management provided guidance to LEAs in implementing locally developed 4-year facility plans that included detailed information on the condition of school buildings. Eight professional staff and three support staff provided the LEAs with information and guidance throughout the planning, budgeting, and building of school facilities. Staff also reviewed building plans for compliance with education specifications. The state had three funding assistance programs and reported providing about $66 million in state financial assistance for facilities in state fiscal year 1994—mostly through a $100 per student capital outlay allotment paid as part of the state foundation funding.[5] The SEA reviewed all major LEA construction and renovation projects, whether or not state funding was used.

Another 21 states reported activities in two of the three areas. Most of them provided funding and technical assistance and compliance review but did not collect and maintain information on the condition of school facilities. For example, an Indiana official reported that the state provided funding through three programs, and the SEA staff reviewed architectural plans for compliance with state education administrative codes and advised local officials on funding and other processes related to facilities planning and construction.

Eight states reported participation in just one area. For example, an Illinois official reported that while the state did not have an ongoing funding program or collect condition data, the SEA facilities staff did provide technical assistance and compliance review for certain locally funded projects to correct life/safety code violations.

Along with the variation among states in facilities activities and level of involvement, we also found differences in state views and traditions on the extent of the state role in providing facilities assistance. Several states reported many years of providing funding, illustrating the view that states have a role in school facilities assistance. Officials in other states expressed the view that school facilities matters are the responsibility of the local districts.

[5]Foundation programs establish a minimum level of expenditure per pupil that is guaranteed by the state. A state may fully fund the foundation or may require each district to contribute a local share.

Most States Provided Facilities Financial Assistance, Though Levels Varied

A total of 40 states reported providing ongoing financial assistance to local districts for the construction of public elementary and secondary schools.[6] Collectively, these states reported providing an estimated $3.5 billion in grants and loans for school facilities construction in state fiscal year 1994. Ten states reported no regular, ongoing programs to assist districts with construction costs, although some of these had recently provided one-time appropriations for facilities or considered proposals for funding school construction.

While most states reported providing financial assistance for school construction, funding levels varied widely. On a per pupil basis, state funding provided in fiscal year 1994 ranged from a high of $2,254 per student in Alaska to a low of $6 per student in Montana (see table 2). The median amount of assistance provided per student was about $104.[7] With the exception of Hawaii[8] and Alaska, which provided full or nearly full state support for school construction, all states provided less than $300 per student. Eight states—Arkansas, Indiana, Michigan, Minnesota, North Dakota, Ohio, Utah, and Virginia—reported providing at least some portion of their assistance in the form of loans to districts.

Table 2: Amount of State Aid Provided for School Facilities Construction in State Fiscal Year 1994 for States With Ongoing Funding Programs

State	State funding for grants and loans	State funding per pupil
Alaska[a]	$273,956,043	$2,254
Hawaii[b]	133,088,000	740
Florida	579,182,541	290
Connecticut	137,541,140	281
Delaware	29,373,300	275
Maine	43,500,000	203
North Carolina	219,506,574	195

(continued)

[6]In this report, financial assistance for school construction includes grants or loans provided to districts to pay for capital outlay or debt service for school facilities construction, renovation, or major maintenance. We considered states to provide financial assistance for school construction if they had programs in place that (1) were ongoing as opposed to one-time appropriations and (2) specifically set aside funds for school construction, either through separate programs or through components of their basic education support program that provided for capital outlay or debt service. We did not include funding for maintenance and operations provided through basic education support programs.

[7]Data for the amount of financial assistance provided are reported by state officials and do not account for any differences in construction costs among states.

[8]Hawaii's schools are uniquely organized as a single state system with no individual local districts; thus, school construction in Hawaii is entirely state funded, and the amount shown reflects total funding for school facilities. In Alaska, officials reported that the state has typically provided a high level of support for school construction since the 1980s. In fiscal year 1994, state funds accounted for 93 percent of school construction funding.

State	State funding for grants and loans	State funding per pupil
Massachusetts	170,000,000	193
New York	451,000,000	167
Vermont	16,400,000	163
Indiana	149,863,628	155
Minnesota	122,900,000	153
Washington	137,600,000	150
Georgia	151,170,000	123
Rhode Island	17,008,435	117
Maryland	87,000,000	113
Pennsylvania	184,000,000	105
Colorado	65,656,512	105
Virginia	108,800,000	104
Kentucky	66,380,260	104
New Mexico	28,763,442	93
New Hampshire	15,327,295	84
Wyoming	8,000,000	80
Mississippi	36,000,000	72
New Jersey	69,945,000	61
North Dakota	5,660,000	48
South Carolina	25,807,048	41
Ohio	68,600,000	38
Idaho	7,015,342	30
Utah	9,612,055	21
Kansas	7,000,000	16
Alabama	9,790,992	14
Michigan	20,227,052	13
Arkansas	4,764,506	11
California	52,000,000[c]	10
Montana	1,000,000	6
West Virginia	0[d]	0
Tennessee	not provided	not provided
Arizona	unknown[e]	unknown[e]
Wisconsin	unknown[e]	unknown[e]

(Table notes on next page)

Note: Ten states had no regular, ongoing program to assist districts with capital construction costs. These states—Illinois, Iowa, Louisiana, Missouri, Nebraska, Nevada, Oklahoma, Oregon, South Dakota, and Texas—are not included in the table.

[a]In Alaska, officials reported that the state has typically provided a high level of support for school construction since the 1980s. In fiscal year 1994, state funds accounted for 93 percent of school construction funding.

[b]Hawaii's schools are uniquely organized as a single state system with no individual local districts; thus, school construction in Hawaii is entirely state funded, and the amount shown reflects total funding for school facilities.

[c]California has historically issued bonds every 2 years for school construction. The last bonds passed in 1992 totaled $2.8 billion. State officials reported that bond sales scheduled for 1994 did not succeed. The amount shown represents funding for the Deferred Maintenance program, which does not depend on state bond sales.

[d]West Virginia provides financial assistance for school construction but provided none in fiscal year 1994, according to the state official we interviewed.

[e]Reported by state officials as unknown.

The following descriptions of funding programs in three states provide more context for the amount of state aid provided for school facilities.

- Florida has eight programs to aid school facilities: Florida has provided financial assistance for school facilities construction since 1947. Its eight funding programs for facilities assistance are funded from gross receipts from utility taxes and motor vehicle licensing tax revenues. Two programs are based on district enrollment growth relative to enrollment growth statewide; a third program provides funding for maintenance based on the square footage and age of a district's buildings plus building replacement costs. The remaining programs target projects such as joint-use facilities, vocational-technical centers, and projects to assist districts using modified school calendars. One program targets funding to districts with limited ability to raise local revenues for facilities.
- In New Hampshire, facilities aid is linked to LEA consolidation: New Hampshire reimburses local districts for a percentage of their construction debt. The state contribution ranges from 30 to 55 percent and favors districts that have consolidated. Districts can receive an extra 20 percent for portions of projects attributable to the construction of kindergartens. (New Hampshire is the only state without mandatory kindergarten.) The state reimburses districts over a minimum of 5 years or the longest period of time required by the funding instruments used by the district.
- In Kansas, facilities aid is based on district wealth: Kansas began providing funding to local districts for school facilities in state fiscal year 1993. Depending on the assessed valuation per pupil of the school district, the

state program provides aid ranging from none to a high of around 50 percent for less wealthy districts. No cap exists on the total amount of assistance the state provides. Funding is provided as an entitlement to school districts; the state pays its share of local debt service for all districts passing bond measures.

Not only do funding levels vary among states in any 1 year, but construction funding can vary dramatically within states from year to year, making it difficult to capture the complete picture of state support in one snapshot. Some states supplement their regular construction funding programs from time to time with additional monies for school facilities construction. For example, a state official in New Jersey reported that in fiscal year 1993 the state made a one-time appropriation of $250 million to address health and life/safety needs in schools in addition to the regular facilities funding provided that year. In several states where we obtained data for multiple years, construction funding reported by officials increased or decreased more than 50 percent between fiscal years 1993 and 1994. These fluctuations can reflect such circumstances as changes in school construction needs or in the availability of state funding.

Putting the amount of state assistance for school construction—about $3.5 billion nationwide in state fiscal year 1994—in context of total facilities expenditures is difficult because of limited data on local spending, a major part of those expenditures. When we asked state officials for this information, many reported that they did not have or collect this data. Preliminary data from the Bureau of the Census show that, counting revenues from all sources, total expenditures for school construction and purchases of land and existing buildings and improvements to buildings were about $15.7 billion for the 1991-92 school year.

When we asked states whether they had any information about unmet needs for construction funding, officials from several states noted instances of facilities needs outstripping available state resources. For example, a state official in Alaska reported that in fiscal year 1994 local districts submitted requests for funding totaling $880 million for a grant program that received an appropriation of $171 million. Similarly, a state official from Wyoming noted that district requests for funding totaled $42 million in fiscal year 1995, although the state had only $13.5 million available. In contrast, officials from two states commented that they had no backlog in requests for funding.

Although State Funding Programs Varied, Some Features Were Common

States reported using a variety of mechanisms to allocate funding for facilities, and many reported having multiple programs. Some programs provided assistance to districts requesting aid for specific construction projects; others provided each district with a fixed amount of funding per student or a proportion of available funding based on such factors as a district's facility needs relative to facility needs statewide.

Delaware exemplifies how programs can vary within a state. An official reported three funding programs: one focused on major capital projects that provides funds on a project-by-project basis accounting for district ability to pay, a second program for scheduled maintenance and repairs that distributes available funding to districts on the basis of enrollment and requires a local match, and a third program for unscheduled repairs that uses a flat rate formula including factors of building age and enrollment.

While states reported using various ways to distribute funds, we found common features among the programs:

- Most states reported prioritizing funding toward districts with less ability to pay. While states reported using a variety of ways to prioritize which districts receive funding and how much they receive, most reported considering district ability to pay in awarding some portion of assistance. Of the 40 states providing construction funding, 34 reported programs that gave some weight to ability to pay, either through eligibility criteria, allocation formulas, or prioritization criteria. For example, Montana has restricted its debt service subsidy program to districts whose taxable property wealth per pupil was less than the statewide average. Maryland reported providing districts with a percentage of approved project costs that ranged from 50 to 80 percent, depending on ability to pay. States varied, however, in the degree to which they considered district wealth. For example, officials in North Carolina reported four funding programs, one of which targeted assistance to poorer districts with critical facility needs. In New York, all construction funding has been provided through one program that considered district wealth in providing a percentage of approved project costs. In addition to ability to pay, other funding prioritization factors that state officials reported using included enrollment growth and facility overcrowding, physical condition of buildings, and whether districts had consolidated.
- Most states reported providing aid as grants rather than loans. Only 8 of the 40 states reported providing any assistance for school facilities in the form of loans to local districts.

- Most states reported providing facilities funding through state budget appropriations. A total of 29 of the 40 states reported providing at least a portion of construction funding through state budget appropriations. Another often used source of funding was state bonds. A few states also reported using special revenue sources dedicated to school construction. For example, Wyoming reported using mineral royalties from school-owned lands to support its capital construction grant program.
- Most states reported providing no assistance for preventive or routine maintenance through their construction funding programs. Officials typically described state programs as providing assistance for the construction and renovation of school buildings. While many states also reported funding major maintenance projects, such as roof replacements, most said they did not provide assistance for routine or preventive maintenance.

Over Three-Fourths of the States Conducted Technical Assistance or Compliance Review Activities

Forty-four states reported providing technical assistance to LEAs for facilities or reviewing facilities projects for compliance with state requirements. (See app. II, table II.2.) Although technical assistance and compliance review activities tended to be similar among states, the level of involvement varied considerably as did the number of staff devoted to the efforts. As we conducted our study, we also found that agencies other than the SEA had at least some responsibility for school facilities. However, pursuing information about activities in these other agencies was beyond the scope of this study, and we focused mainly on the activities and staffing levels at the SEAs.

SEAs' Levels of Technical Assistance and Compliance Review Activity Varied

A total of 44 states reported providing technical assistance to LEAs—specifically, information or guidance on facilities regulations, planning, construction, or maintenance. Technical assistance was typically furnished by phone, through publications and manuals, at meetings between SEA and LEA representatives, or through workshops and formal training. The assistance in some states was limited to answering a few LEA questions and in others it also included guidance on needs assessments and long-range plans; building design; hazardous materials; engineering, legal, and architectural matters; among other subjects.

We found considerable variance in the levels of technical assistance provided. Some states provided a limited level of technical assistance. For example, Montana's SEA reported providing information—but not training—on regulations, requirements, and other facility guidelines.

Oregon reported providing guidance only on asbestos removal regulations and processes, including sponsoring a yearly training class. Other SEAs were more involved in technical assistance activities. For example, a Maryland SEA official reported that its facilities staff spent a large portion of their time in the field working with local committees to plan and design school buildings. They conferred with architects on school design; presented training for school board officials, engineers, architects, and school custodial staff; and provided a variety of facilities issues publications to LEAs.

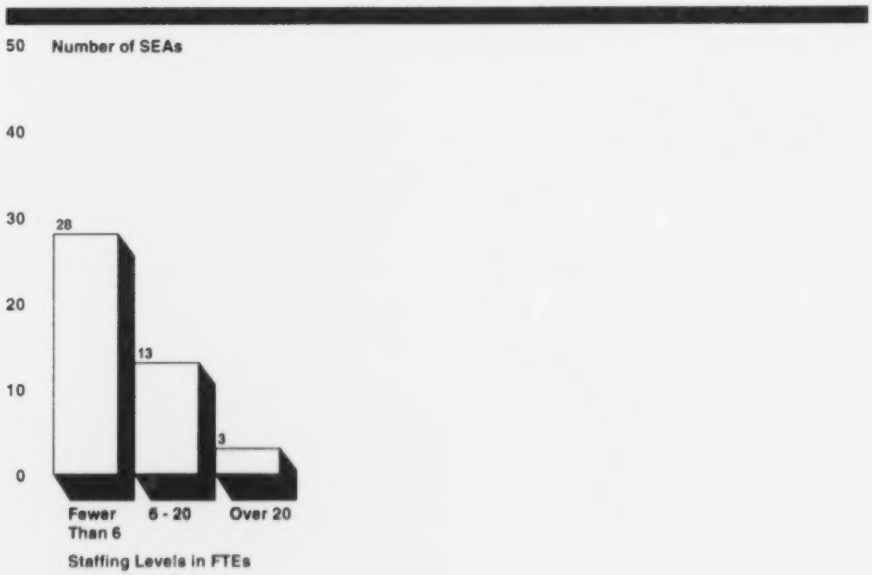
A total of 37 states also reported compliance review activities relative to building and fire codes, state education specifications, or other state regulations. Compliance review activities were fairly standard among states, consisting primarily of reviewing project architectural plans to ensure that they conform to regulations and requirements. Over two-thirds of the 50 states reported overseeing compliance with education specifications or other state regulations associated with facilities, while nearly one-third reported reviewing plans for building or fire code compliance.

Although states' compliance review activities were fairly standard, their levels of involvement varied. For example, Ohio officials reported that the facilities unit reviewed architectural plans for conformance with education standards but did little compliance enforcement. In contrast, Connecticut officials reported that the SEA facilities unit reviewed plans for compliance with several codes, including state building, life safety, and health codes, as well as federal health, safety, and accessibility requirements. Approval of the facilities unit was required for a project to receive state aid.

SEA Facilities Staffs Tended to be Small, and Some SEAs Shared Responsibilities With Other Agencies

Of the 44 states providing technical assistance or compliance review, a total of 28 reported SEA staffs with fewer than six FTE employees involved in facilities-related work—including 12 states with one FTE or fewer (see fig. 2). SEA facilities staffing levels in the 44 states ranged from .02 to 72 FTEs. (See app. II, table II.2.) Officials reported that facilities staff expertise may include finance, education specifications, building codes, and plans checking. Some reported architects, engineers, or attorneys on staff.

Figure 2: SEA Staffing Levels for States With Technical Assistance and Compliance Review Activities



In many states, SEA officials told us that other state agencies were involved to at least some extent in school facilities activities—in particular, compliance activities. For example, most states reported that the State Fire Marshal had school facilities responsibilities, often related to code compliance or building inspection. Other state agencies frequently mentioned by officials as having facilities responsibilities included departments of health, labor, and environment. In three states—California, Hawaii, and Maryland—major facilities responsibilities were shared among the SEA and other agencies. For example, in California, staff in two divisions of the Department of General Services as well as the SEA played major roles. Finally, in two states—South Dakota and West Virginia—the major school facilities activities were handled outside the SEA. For example, in South Dakota, all facilities responsibility was transferred to the State Fire Marshal's Office by legislation passed in 1994.

Facility staffing levels are changing in some states. Several SEAs reported proposed or enacted reductions in facilities staff or facilities responsibilities. For example, in Maine, since a 1991 recession, facilities unit FTEs have been reduced from three to one professional staff as part of a general reduction in the size of the SEA. More recently, Florida has

reduced its facilities unit staffing by 75 percent and New York by 25 percent for fiscal year 1996. On the other hand, two SEAs reported that they hope to increase their facilities units by one or two staff.

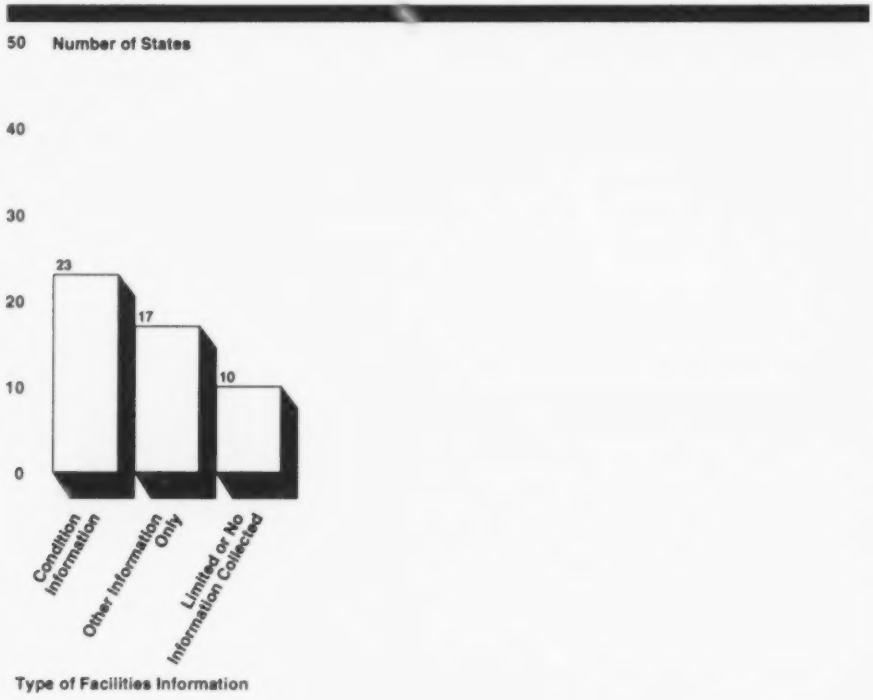
Almost Half of the States Maintained Information on the Condition of School Facilities

Fewer states reported collecting and maintaining current information on the condition of school buildings compared with the number of states providing financial or technical assistance and compliance review for facilities. We considered states to collect such data if the information documented the condition[9] of individual schools and was collected or at least updated in the last 5 years.

A total of 23 states reported maintaining information on the condition of school buildings (see fig. 3). Of these, 15 states reported collecting facility condition data on a regular, ongoing basis, updating their information annually or every few years. The remaining eight states reported conducting a one-time study of the condition of their facilities sometime in the last 5 years.

[9]We considered information on the condition of schools to include data on the overall condition of buildings or the condition of specific components of the building structure or building systems. The information could be in the form of standard ratings, narrative descriptions, or detailed catalogs of facility needs resulting from systematic assessments of building conditions. We did not consider information limited to cost estimates of future projects to be information on the condition of facilities.

Figure 3: Facilities Information Maintained by States



Seventeen states reported maintaining other types of information on their facilities that was not specifically related to building condition. In many cases this information was an inventory of school buildings, which often included such data as the number of buildings, their age and size, and building use. Other types of facility information that states collected included data on the total appraised value of school facilities and building architectural plans. Nearly all states collecting information on the condition of school buildings reported maintaining other facilities data as well.

Ten states reported that they maintained no information on school facilities or did so on an extremely limited basis, such as retaining current application materials and financial records or reports on the general adequacy of facilities resulting from standard school accreditation reviews. For example, in Connecticut, the official we interviewed reported that the state collected only the information and plans necessary for the

projects under review at any given time. (For a delineation of the facilities information collected by individual states, see app. II.)

Comprehensiveness of Facility Condition Data Varied

For the 23 states collecting some type of data on the condition of facilities, the comprehensiveness of the information and the frequency of data collection varied. Some states reported using professional architects or state-trained staff to conduct assessments of the condition-specific components of the building structure, such as walls and roofs, or building systems, such as plumbing and heating. Often these labor-intensive studies were conducted as one-time efforts or were updated once every several years. Other states reported relying on districts to report an overall rating for the condition of their buildings. For example, in Alabama, districts must complete an annual building inventory survey that includes one item to rate the overall condition of buildings on a four-point scale from "excellent" to "should be razed."

Nearly One-Third of States Would Like to Gather Additional Data

When we asked state officials about any changes they would like to make to their information gathering systems, almost one-third said they would like to collect additional information. Several expressed interest in developing an inventory of their school buildings or updating their present inventories. Many states were also interested in starting to gather building condition information or updating condition information collected earlier. In addition to gathering more data, officials in many states expressed an interest in automating more of the information they collect. For example, officials in several states hoped to make data collection from local districts more interactive using computers. Two state officials expressed interest in computerizing architectural plans.

On the other hand, officials in several states believed their current level of data collection was sufficient. In six states that collected relatively little facilities data, officials said they did not want to gather any additional information, and a few said the information they had was adequate for the scope of their state's program. For example, in Rhode Island, the state aid specialist said that as long as the state program remains locally oriented they require no further data. Officials in a few states said that they would have to increase their staff to collect or analyze more information and did not want to do this.

Conclusions

Although local governments have traditionally been responsible for facilities construction, renovation, and major maintenance, most SEAs have established a state presence in school facilities matters using a variety of approaches. However, states' levels of involvement varied: about one-fourth of them had programs that included ongoing funding assistance, a variety of technical assistance and compliance review activities, and data collection on the condition of facilities; 10 states were involved in one or none of the activities. Further, officials reported differing viewpoints and traditions on state involvement in facilities matters. Such variations in approach and philosophy among states illustrate the lack of consensus on the most appropriate and effective state role.

Today, state involvement in school facilities remains in flux. Because the physical condition of school buildings has become a concern in school finance equity litigation, experts expect disparities in facilities to be a continuing and pressing issue. States will likely be looked to for ways to lessen these disparities. State governments, however, face pressure from other rapidly rising budget expenditures—such as health care—that compete for the same limited funds.

Agency Comments

The Department of Education reviewed a draft of this report and had no comments. In addition, we provided state-specific information to state officials for verification and incorporated their comments in the text as appropriate.

As agreed with your office, unless you publicly announce its contents earlier, we plan no further distribution of this report until 30 days from the date of this letter. At that time, we will send copies to appropriate House and Senate Committees and all members, the Secretary of Education, and other interested parties.

Please contact me on (202) 512-7014 or my assistant director, Eleanor L. Johnson, on (202) 512-7209 if you or your staff have any questions. Major contributors to this report are listed in appendix III.

Sincerely yours,

Linda G. Morra

Linda G. Morra
Director, Education and
Employment Issues

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Abbreviations

FTE	full-time equivalent
LEA	local education agency
SEA	state education agency

Appendix I

Methodology

To determine the extent to which states provided funding and technical assistance and compliance review for school facilities and maintained information on the condition of school buildings, we conducted telephone interviews with state officials responsible for school facilities in all 50 states. In nearly all cases, we spoke with staff at the state education agency (SEA) responsible for school facilities. In a few states, we also spoke with officials located in other state agencies extensively involved in school facilities. Where necessary, for clarification, we conducted follow-up telephone interviews. We supplemented this information with supporting documentation provided by state officials. All data were self-reported by state officials, and we did not verify their accuracy. We conducted our work between October 1994 and September 1995 in accordance with generally accepted government auditing standards.

The focus of our study was state fiscal year 1994. Typically, this covered the period from July 1, 1993, to June 30, 1994. We learned of changes in state programs that occurred after this time during follow-up interviews with state officials and included these when they suggested trends in changing levels of state involvement.

State-by-State Information

States' Involvement Varied in Three Areas Reviewed by GAO

States' involvement in providing assistance for school facilities ranged widely (see table II.1). To illustrate, profiles of assistance provided in three states—Georgia, Maine, and Colorado—are presented following table II.1.

Table II.1: Overview of State Activities for School Facilities

State	Ongoing funding program	Technical assistance or compliance	Data on facility condition
Alabama	x	x	x
Alaska	x	x	x
Arizona	x		x
Arkansas	x	x	
California	x	x	
Colorado	x		
Connecticut	x	x	
Delaware	x	x	
Florida	x	x	x
Georgia	x	x	x
Hawaii	x	x	x
Idaho	x	x	x
Illinois		x	
Indiana	x	x	
Iowa		x	
Kansas	x	x	
Kentucky	x	x	x
Louisiana			
Maine	x	x	
Maryland	x	x	x
Massachusetts	x	x	x
Michigan	x	x	
Minnesota	x	x	x
Mississippi	x	x	
Missouri		x	
Montana	x	x	
Nebraska			x
Nevada			
New Hampshire	x	x	
New Jersey	x	x	
New Mexico	x	x	
New York	x	x	

(continued)

State	Ongoing funding program	Technical assistance or compliance	Data on facility condition
North Carolina	x	x	x
North Dakota	x	x	x
Ohio	x	x	x
Oklahoma		x	x
Oregon		x	
Pennsylvania	x	x	x
Rhode Island	x	x	x
South Carolina	x	x	x
South Dakota		x	
Tennessee	x		
Texas		x	x
Utah	x	x	
Vermont	x	x	
Virginia	x	x	
Washington	x	x	x
West Virginia	x	x	x
Wisconsin	x	x	
Wyoming	x	x	x

Colorado—Involved in Funding

Colorado requires that each local education agency (LEA) set aside $202 per pupil of the state and local basic aid funding to be used for long-range capital needs such as new facilities, major renovations, land, school buses, or risk management purposes such as liability insurance or workers compensation. The funding cannot be used for debt service. The Colorado state education agency (SEA) has no staff assigned to facilities activities, and technical assistance is limited to answering a few questions during the year. Colorado does not routinely collect information on facilities; an official told us that measuring the condition of schools is considered a local issue.

Maine—Involved in Funding and Technical Assistance

The Maine School Construction Program provided LEAs with about $43.5 million in state fiscal year 1994 to pay debt service on capital construction bonds through the state's foundation funding. The amount received is based in part on the assessed valuation per student and on project priority criteria such as overcrowding. A staff of three in the Division of School Business Services spend part of their time overseeing

the facilities funding program and providing information and assistance to LEAs throughout the funding and construction processes. The division works with LEAs on compliance with state education program guidelines and coordinates project review and approval among other agencies, such as the State Fire Marshal and the Bureau of General Services. The SEA does not currently gather information about the condition of buildings but hopes to conduct a survey of LEAs to gather descriptive information on their facilities.

Georgia—Involved Extensively in All Three Areas Reviewed by GAO

The Georgia Department of Education provides facilities assistance to LEAs through a system of annual entitlements based on district needs, including enrollment increases. LEAs may permit their entitlements to accrue over time, which allows each school system to undertake significant projects rather than make minor repairs year after year. LEAs must submit to the state a 5-year comprehensive facilities plan validated by an outside survey team and provide from 10 to 25 percent of the project costs. The SEA Facilities Services Section has field consultants who provide assistance to their assigned LEAs and an architect who reviews all architectural project plans for compliance with state requirements. Georgia provided about $151 million to LEAs for facilities in state fiscal year 1994.

States' Levels of Compliance Review and Technical Assistance Varied

Levels of compliance review and technical assistance varied widely among states. (See table II.2). Profiles of three states that exemplify this variance—New York, Washington, and Wisconsin—follow table II.2.

Table II.2: SEA Staffing Levels for Facilities-Related Technical Assistance and Compliance Review Activities

State	Full-time equivalents (FTE)	Technical assistance/ compliance activities
Florida	72.00	A, B, C
North Carolina	41.50	A, B, C
New York	**24.00**	**A, B, C**
California[a]	20.00	A, C
New Jersey	20.00	A, B, C
Georgia	18.00	A, B, C
Hawaii[a]	18.00	A, B, C
Illinois	11.00	A, B
Kentucky	11.00	A, C
Pennsylvania	10.00	A, C
West Virginia[b]	10.00	A, C
Connecticut	9.00	A, B, C
Washington	**7.00**	**A, C**
Alaska	6.00	A, C
Minnesota	6.00	A, C
South Carolina	6.00	A, B, C
Maryland[a]	5.50	A, B, C
Alabama	5.00	A, C
Massachusetts	5.00	A, C
Indiana	4.00	A, C
Mississippi	4.00	A, B, C
New Mexico	4.00	A, C
South Dakota[b]	4.00	A, B
Virginia	4.00	A
Ohio	3.50	A, C
Arkansas	3.00	A, C
Oklahoma	3.00	A, B, C
Delaware	2.00	A
Missouri	2.00	A

(continued)

State	Full-time equivalents (FTE)	Technical assistance/ compliance activities
Vermont	2.00	A, B, C
Maine	1.80	A, C
New Hampshire	1.62	A, C
Utah	1.25	A, C
Iowa	1.20	A, C
Kansas	1.00	A, B
North Dakota	1.00	A, B, C
Texas	1.00	A
Wisconsin	**1.00**	**A**
Wyoming	0.75	A, C
Idaho	0.74	A, C
Colorado	0.49	
Michigan	0.35	A
Nevada	0.25	
Rhode Island	0.25	A, C
Montana	0.10	A
Oregon	0.02	A, C
Arizona	0.00	
Louisiana	0.00	
Nebraska	0.00	
Tennessee	0.00	

KEY

A. Technical assistance includes providing information or guidance to LEAs on funding or construction issues using one or more of a variety of activities, including telephone consultations or site visits, attending district meetings, presenting training to district staff or those working on school construction projects, or publishing informational documents for district use.

B. Compliance review for building or fire codes includes reviewing architectural plans for conformance with building, mechanical, electrical, or related structural and life/safety codes.

C. Compliance review for education specifications or other state regulations includes reviewing architectural plans or other documents for conformance with state education specifications such as for the size and use of school building space. It also includes reviewing documents for conformance with other state requirements, such as the use of women- or minority-owned companies, or wages paid to school construction workers.

[a]In addition to the SEA FTEs shown, officials report significant numbers of staff carrying out facilities activities in other state agencies. The number of additional FTEs located in other agencies in California is 188, Hawaii, 99, and in Maryland, 17.2.

[b]FTEs shown are not situated in the SEA but are in other state agencies that have the primary responsibility for school facilities.

New York—Involved in Many Technical Assistance/Compliance Activities

New York's SEA staff present workshops and publish newsletter articles on regulations and facilities planning as well as architectural, engineering, and legal issues. They also provide information to about 100 telephone callers per day. Staff review architectural plans for compliance with the building code and education specifications. They assess the need for projects, approve sites, enforce the state environmental review act, determine eligibility for state building aid and petroleum overcharge funds, issue building permits, and approve leases. The SEA oversees a fire inspection program that enforces building and fire codes for existing buildings through annual inspections conducted by LEA-hired inspectors. Staff certify completed projects for occupancy, provide on-call assistance for environmental hazard problems and are implementing a requirement for LEA comprehensive 5-year capital plans.

Washington—Involved in Technical Assistance/ Compliance Activities

Washington's SEA school facilities section staff provide information to local school districts on health and safety issues and ensure that state-assisted school construction projects comply with state law. The section provides assistance to school districts and other state and federal agencies by acting as an information clearinghouse.

Wisconsin—Involved in Technical Assistance Activities

Wisconsin's SEA staff provide assistance interpreting the building code and health and safety regulations—usually by telephone or sending documents by mail. The staff present occasional on-site workshops, referrals to other agencies, and assistance with LEA facilities plans.

Nearly Half of the States Maintained Information on the Condition of School Facilities

Nearly half of the states maintained information on the condition of school facilities. Some collected it on an ongoing basis, while others had done a recent, one-time study. Most states maintained information on facilities other than condition. Only 10 states maintained extremely limited or no information on facilities. Table II.3 describes the extent of facilities information maintained by each state.

Table II.3: Extent of Facilities Information Maintained by States

State	Collects information on condition: Ongoing	Collects information on condition: Recent one-time study	Maintains information on facilities other than condition	Maintains no information or only extremely limited information
Alabama	X		X	
Alaska	X[a]		X	
Arizona		X	X	
Arkansas				X
California			X	
Colorado			X	
Connecticut				X
Delaware			X[a]	
Florida	X		X	
Georgia	X		X	
Hawaii	X		X	
Idaho		X	X	
Illinois			X	
Indiana			X[a]	
Iowa			X[a]	
Kansas			X	
Kentucky	X		X	
Louisiana				X
Maine			X	
Maryland	X		X	
Massachusetts	X[a]		X[a]	
Michigan				X
Minnesota		X	X	
Mississippi			X	
Missouri				X
Montana				X
Nebraska		X	X	

(continued)

State	Collects information on condition: Ongoing	Collects information on condition: Recent one-time study	Maintains information on facilities other than condition	Maintains no information or only extremely limited information
Nevada			X	
New Hampshire				X
New Jersey			X	
New Mexico			X	
New York			X	
North Carolina	X		X	
North Dakota	X		X	
Ohio		X	X	
Oklahoma	X		X	
Oregon				X
Pennsylvania	X		X	
Rhode Island		X	X	
South Carolina		X		
South Dakota			X	
Tennessee				X
Texas		X	X	
Utah			X	
Vermont			X	
Virginia			X	
Washington	X		X	
West Virginia	X		X	
Wisconsin				X
Wyoming	X		X	

[a]Development of information system still in progress but data collection under way.

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